

Appl. No. 09/852,566

Reply to Office Action of June 10, 2005

REMARKS

This Response is in reply to the Final Office Action dated June 10, 2005. In this Office Action, claims 1-7, 10-14, 17 and 19-28 were rejected. Claims 10 and 24-27 were rejected under 35 U.S.C. § 102 and claims 1-7, 11-14, 17, 19-23 and 28 were rejected under 35 U.S.C. § 103. Applicants respectfully submit that the rejections were improper for at least the reasons set forth below.

In the Office Action, claims 10 and 24-27 were rejected under 35 U.S.C. § 102 as allegedly being anticipated by European Patent No. 042180 to Mansvelt ("Mansvelt"). Applicant respectfully submits that Mansvelt fails to teach or suggest all the elements of the claimed invention and therefore, this rejection is improper for at least the following reason.

Claims 10 and 24-27 teach in part, a settlement information encryption part for subjecting settlement information to an encryption processing by using a common key shared by the settlement management device and the data storage device. Accordingly, the claimed invention is directed, in part, to using a common key that is shared by the settlement management device and the data storage device.

In contrast, Mansvelt is directed to a funds transfer machine ("FTM") that compiles a message for transmission via a data network. The message includes a transaction sequence number ("TSN") and a unique sequence number ("USN"). The message is transmitted via the data network to the financial institution at which a cardholder holds an account. The amount of a transfer, together with the TSN and the USN, is encrypted under the issuer key of the financial institution and transmitted back to the data network. The data network encrypts this encrypted data further with a data network key. The message is routed back to the FTM, which extracts the encrypted portion of the data and transmits it to the client card. The client card decrypts the encrypted data using a random key and the issuer key. See, Mansvelt, column 6, lines 28-56.

Accordingly, Mansvelt does not teach or suggest a common key where Mansvelt is directed to an issuer key, a data network key and a random key to encrypt and transmit information across the network. In this regard, the financial institution uses an issuer key, the data network uses a data network key and the client card uses a random key all in the encryption and transmitting of information across the network. Accordingly, the claimed invention is patentably distinct from Mansvelt, in that in the claimed invention, a common key is used across

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the network as in contrast to Mansvelt where at least three keys are used by various elements in the network.

For at least these reasons, Mansvelt not disclose, teach or suggest the subject matter as defined in claims 10 and 24-27. Therefore, the anticipation rejection in view of Mansvelt should be withdrawn.

Claims 1 and 23 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6834,271 to Hodgson et al. ("Hodgson") in view of Mansvelt. Applicants respectfully disagree with and traverse this rejection because neither Hodgson or Mansvelt, either alone or in combination disclose, teach or suggest the elements of claims 1 and 23.

Furthermore, Applicants submit that there is no teaching, suggestion or motivation for one of ordinary skill in the art to combine the Hodgson and Mansvelt references in the manner suggested in the Office Action. In making a determination that an invention is obvious, the Patent Office has the initial burden of establishing a *prima facie* case of obviousness. *In re Rijckaert*, 9 F.3d 1531, 1532, 28 U.S. P.Q.2d 1955, 1956 (Fed. Cir. 1993). "If the examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent." *In re Oetiker*, 24 U.S.P.Q.2d 1443, 1444 (Fed. Cir. 1992).

The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). The initial burden is on the examiner to provide some suggestion of the desirability of doing what the inventor has done. "To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). When the motivation to combine the teachings of the references is not immediately apparent, it is the duty of the examiner to explain why the combination of the teachings is proper. *Ex parte Skinner*, 2 USPQ2d 1788 (Bd. Pat. App. & Inter. 1986). (see MPEP 2142).

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Further, the Federal Circuit has held that it is "impermissible to use the claimed invention as an instruction manual or 'template' to piece together the teachings of the prior art so that the claimed invention is rendered obvious." *In re Fritch*, 23 U.S.P.Q.2d 1780, 1784 (Fed. Cir. 1992). "One cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention" *In re Fine*, 837 F.2d 1071 (Fed. Cir. 1988).

Moreover, the Federal Circuit has held that "obvious to try" is not the proper standard under 35 U.S.C. §103. *Ex parte Goldgaber*, 41 U.S.P.Q.2d 1172, 1177 (Fed. Cir. 1996). "An-obvious-to-try situation exists when a general disclosure may pique the scientist curiosity, such that further investigation might be done as a result of the disclosure, but the disclosure itself does not contain a sufficient teaching of how to obtain the desired result, or that the claim result would be obtained if certain directions were pursued." *In re Eli Lilly and Co.*, 14 U.S.P.Q.2d 1741, 1743 (Fed. Cir. 1990).

Regarding the Hodgson reference, it fails to disclose, teach or suggest, in part, a settlement management device creates, based on settlement request information from a store device, settlement information for making settlement by a data storage device, subjects the settlement information to an encryption processing by using a common key shared by the settlement management device and the data storage device, and transmits the settlement information subjected to the encryption processing to the client device, and wherein the client device outputs the settlement information received from the settlement management device to the data storage device.

In this regard, the claimed invention is patentably distinct from Hodgson in that Hodgson has no use for a common key to encrypt and transmit information across a network. A user in Hodgson has a personal computer that has consumer merchant response software ("cMRS") plug-in that is loaded into the user computer's web browser as a Java applet. When loaded, the user enters a pin via a pad. The applet has added security and encryption routines. The transaction is kept secure by means of the secure transmission management server. See, Hodgson, column 4, line 46 through column 5 line 12. Accordingly, a user in Hodgson logs onto a secure network, creating encryption at login, and transmits all information over the secure network. Thus, there is no motivation to combine the Hodgson and Mansvelt references together, where Hodgson

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teaches transmission of information over a secure network, while Mansvelt teaches several different encryption keys for encrypting information to be transmitted over a network.

Furthermore, the Patent Office failed to establish a *prima facie* case of obviousness because there is no teaching or suggestion within the cited references that would have led one skilled in the art to make the combination suggested by the Patent Office. Hodgson is directed to a system that utilizes a consumer's computer and PIN/PAD to read information off a credit card or debit card. See, Hodgson, column 4, lines 46-56. Accordingly, Hodgson is directed to a consumer device with an information input only function capability from a storage device, i.e. the credit card or debit card.

The claimed invention, is directed, in part, to a client device provided with an information input and output function to the data storage device. In this regard, the data storage device provides for information input and output in contrast to Hodgson. See, Specification, page 3, lines 5-19. Hodgson merely provides for the input of information from the credit card or debit card and thus fails to teach, suggest or disclose of a way to output information to a credit card or debit card. Mansvelt cannot be relied on even if properly combinable to remedy this deficiency.

Accordingly, one having ordinary skill in the art would not modify Hodgson to have an output capability to a credit card or debit card. In fact, even if Hodgson had the aforementioned output capability, it would be rendered useless, as devices such as credit cards and debit cards have no capability of write and storage functions.

In addition, the point of Hodgson is to provide consumers and merchants with a secure method for making and accepting credit card and ATM card payments over the Internet. See, Hodgson, Abstract. Thus, in contrast to the claimed invention, Hodgson does not envision having an output function from the client device to the data storage device. As a result, Hodgson does not suggest this claimed element to the extent that it effectively teaches away from same.

Clearly, what the Patent Office has done is to rely on hindsight reasoning to justify the combination and/or motivation of Hodgson and Mansvelt. Therefore, even if combinable, Hodgson and Mansvelt fail to teach, suggest, or disclose the claimed invention and by claims 1 and 23 and thus, fail to render the claimed invention obvious based on at least these reasons.

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Additionally, Hodgson and Mansvelt fail to provide a motivation to combine their teaching in the first place.

Accordingly, applicants respectfully request that the obviousness rejection with respect to claims 1 and 23 be withdrawn.

Claims 2 and 3 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Hodgson and Mansvelt and further in view of U.S. Patent No. 6,327,578 to Linehan ("Linehan"). Applicants respectfully submit that the patentability of claim 1 renders moot the obviousness rejection of claims 2 and 3. At a minimum, the cited art fails to teach or suggest the features of claims 2 or 3 in combination with the features of claim 1 based on at least the above reasons discussed above where Linehan cannot be relied on solely to remedy the deficiencies of same.

Claims 4-6 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Hodgson, Mansvelt and Linehan and further in view of U.S. Patent Application No. 2002/0194121 to Takayama ("Takayama"). Applicants respectfully submit that the patentability of claim 1 renders moot the obviousness rejection of claims 4-6. At a minimum, the cited art fails to teach or suggest the features of claims 4-6 in combination with the features of claim 1 based on at least the above reasons discussed above where Takayama cannot be relied on solely to remedy the deficiencies of same.

Claim 7 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Hodgson and Mansvelt and further in view of U.S. Patent No. 6,338,050 to Conklin et al ("Conklin"). Applicants respectfully submit that the patentability of claim 1 renders moot the obviousness rejection of claim 7. At a minimum, the cited art fails to teach or suggest the features of claim 7 in combination with the features of claim 1 based on at least the above reasons discussed above where Conklin cannot be relied on solely to remedy the deficiencies of same.

Claim 11 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Mansvelt in view of Linehan. Applicants respectfully submit that at a minimum, the cited art fails to teach or suggest the features of claim 11, which contains substantially similar features as recited in claim 1, for substantially the same reasons as discussed above.

Claims 12-14 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Mansvelt and Linehan and further in view of Takayama. Applicants respectfully submit that the patentability of claim 11 renders moot the obviousness rejection of claims 12-14. At a

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minimum, the cited art fails to teach or suggest the features of claims 12-14 in combination with the features of claim 11 based on at least the above reasons discussed above where Takayama cannot be relied on solely to remedy the deficiencies of same.

Claims 17, 19, 20 and 22 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Linehan in view of Mansvelt. Applicants respectfully disagree with and traverse this rejection because neither Linehan or Mansvelt, either alone or in combination disclose, teach or suggest the elements of claims 17, 19, 20 and 22.

Linehan fails to teach, suggest or disclose, among other things, an encryption part for encrypting the settlement information using common key shared by the settlement management device and the data storage device, as required by the claimed invention. See, Office Action, page 18. Accordingly, Linehan fails to render obvious, the claimed invention as recited by claims 17, 19, 20 and 22. The Office Action cites Mansvelt to remedy these deficiencies of the Linehan reference. However, Applicants respectfully submit, that for the reasons argued above, Mansvelt fails to teach, suggest or disclose a common key for encryption and transmission of information across a network.

For at least these reasons, Linehan and Mansvelt, alone or in combination, fail to teach, suggest or disclose the subject matter as defined by claims 17, 19, 20 and 22. Linehan and Mansvelt, alone or in combination, fail to render obvious claims 17, 19, 20 and 22 and therefore this rejection should be withdrawn.

Claim 21 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Linehan and Mansvelt and further in view of Takayama. Applicants respectfully submit that the patentability of claims 17 and 20 renders moot the obviousness rejection of claim 21. At a minimum, the cited art fails to teach or suggest the features of claim 21 in combination with the features of claims 17 and 20 based on at least the above reasons discussed above where Takayama cannot be relied on solely to remedy the deficiencies of same.

Claim 28 was rejected under 35 U.S.C. § 103(a) as being unpatentable over Mansvelt and in further view of Linehan. Applicants respectfully submit that the patentability of claim 27 renders moot the obviousness rejection of claim 28. At a minimum, the cited art fails to teach or suggest the features of claim 28 in combination with the features of claim 27 based on at least the

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above reasons discussed above where Linehan cannot be relied on solely to remedy the deficiencies of same.

For the foregoing reasons, Applicants respectfully submit that the present applicant is in condition for allowance and earnestly solicit reconsideration of the same.

Respectfully submitted,

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